



State Council of
Higher Education for Virginia

Higher Education Opportunity Act Measuring Performance Next Steps

Higher Education Advisory Committee

November 7, 2011

Jim Alessio

Higher Education Restructuring Director

Advisory Committee's Responsibilities

The Advisory Committee, in consultation with and with the assistance from the staff of the Council and such other assistance it may need, shall develop and review at least every five years, in consultation with the respective Chairs of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health, or their designees, representatives of public institutions of higher education in the Commonwealth, and such other state officials as may be designated by the Governor:

3. Objective performance criteria for measuring the targeted economic and innovation financial incentives, and benefits or consequences for meeting or not meeting the incentives included in an institution's six-year plan;
4. Economic opportunity metrics, such as marketplace demand, earning potential, and employer satisfaction, and other indicators of the historical and projected economic value of degrees that can be used to assess degree programs in order to provide useful information on the economic impact of degrees to students as they make career choices and to state policy makers and university decision makers as they decide how to allocate scarce resources;
5. The additional authority that should be granted to all public institutions of higher education under the Restructured Higher Education Financial and Administrative Operations Act, state goals and objectives each public institution of higher education should be expected to achieve, objective criteria for measuring educational-related performance with regard to those goals and objectives, and the benefits or consequences for meeting or not meeting those goals and objectives, including incentive performance benefits.

The Advisory Committee shall submit its recommendations to the Council, which shall review the recommendations and report its recommendations to the Governor and the Chairs of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health.



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Best Practices

■ Dennis Jones, NCHEMS

- Metrics tied to state goals
- Recognize differences in institutions' missions
- A limited number of metrics
- Use increase in numbers rather than rates in most cases
- Provide encouragement for success with at-risk populations
- Success incentives built into core institutional funding, not just in performance pool
- Build implementation strategies into the design
 - A phase-in provision
 - A stop-loss (but not hold-harmless) feature
 - Use in good times as well as bad

Lessons Learned

■ **Jim Alessio, SCHEV**

- Measurement and accountability matter
- Performance-based policy measures work
- Institutional goals can be derived from the state goal
- Need to set realistic and achievable goals versus aspirations
- Balancing state and institution expectations
- Need for caution when developing measures – for example, ratios and moving averages
- Establishing state goals as well as institutional goals

Metric data availability

- Measures exist for many of the areas – restructuring, Dr. Rose proposal:
 - Enrollment
 - Degrees
 - Retention/graduation rates
 - STEM production
 - Degree completion time
 - Two-year transfers
- Data being developed for economic opportunity metrics
- Sparse existing data available for:
 - Year-round space utilization
 - Technology enhanced instruction and resource sharing

Additional issues...

- Should performance be based on institution expectations or an externally set of standards?
- Should there be two tiers of performance – Statewide and institution?
- Does assessment have to occur annually or biennial?
- ...

Recommendation

Establish a workgroup consisting of representatives of the bodies listed in the Act to be responsible for making recommendations to the Advisory Committee by mid-2012:

- state goals and objectives each public institution of higher education should be expected to achieve, and
- objective criteria for measuring educational-related performance with regard to those goals and objectives, including incentive performance, and
- the benefits or consequences for meeting or not meeting those goals and objectives, including incentive performance benefits.